

WASHINGTON – The House of Representatives is expected to vote tomorrow on a bill introduced by Rep. Ron Paul, Chairman of the Financial Services Subcommittee on Domestic Monetary Policy and Technology, to authorize a full audit of the Federal Reserve System.

H.R. 459 removes existing restrictions on the Government Accountability Office's ability to fully audit the Fed and calls for an audit to be completed within one year. The legislation is the culmination of House Republican efforts to allow for a complete and robust audit of the Federal Reserve.

The financial regulatory reform bill (H.R. 3310) introduced in 2010 by House Republicans authorized a full audit of the Federal Reserve and Republicans were able to add the "audit the Fed" provision to the House-passed version of the regulatory reform bill. However, the Senate weakened the provision by exempting from the audit monetary policy decisions, discount window operations, and agreements between the Fed and foreign central banks, foreign governments and international organizations. H.R. 459 removes these restrictions.

Congressman Spencer Bachus (AL-6), Chairman of the Financial Services Committee and a co-sponsor of the legislation, said, "This bipartisan bill is an important step in promoting greater public understanding of the Federal Reserve's operations and the impact of its decisions on average Americans. Under the leadership of Chairman Bernanke, the Fed has made strides toward greater transparency. But by allowing for a full audit, the American people will have a clearer picture of the actions undertaken by the Fed. Dr. Paul has been a tireless advocate of auditing the Fed throughout his time in office. The broad support this bill has received in Washington, and the passionate advocacy it has inspired in citizens across America, is a testament to his leadership on these matters."

Subcommittee Chairman Paul said, "It is good to see that Congress is finally getting serious about exercising its oversight responsibility over the Federal Reserve. Auditing the Fed is a common sense issue supported by an overwhelming majority of the American people. The Fed's trillions of dollars worth of asset purchases and its ongoing support of foreign central banks cannot be allowed to continue without Congressional oversight."